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Major News Releases and Speeches

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Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Remarks prepared for delivery by Secretary of Agriculture John R. Block at the dedication of the USDA Human Nutrition Research Center for Aging, Tufts University, Boston, Mass., Nov. 5, 1982

President Mayer, Speaker O'Neill, distinguished guests. I'm happy to be here today for the dedication of this USDA Human Nutrition Research Center for Aging.

As you know, this is the first research center in the world dedicated to studying the relationship between nutrition and the aging process. Learning more about this relationship is the challenge we need to face. This research center will use that challenge as an opportunity to develop the new knowledge needed.

Over the past three decades, medical science, along with improved nutrition, has dramatically increased the life expectancy of every American. In 1950, the average American could expect to live to the age of 68. Today, we anticipate 73 years. By the year 2000, many Americans can expect to live well into their 80's.

Not only is life expectancy increasing, but more of us are living longer. Within the next 50 years, the over 65 population is projected to grow from 11 to 17 percent.

As we learn more about the relationships between food and the aging process, both the length and quality of life will increase. The research here will provide important dividends for all of us. Good nutrition helps keep people well, thereby lowering national health care costs. And a healthy populace is basic to a robust economy.

USDA has a long history of concern with nutrition. In 1894, Dr. Wilbur O. Atwater, a scientist who is called the father of modern American human nutrition research, was named "Chief of Nutrition Investigations" in the USDA.

His work provided a rich legacy. In fact, he developed basic units of energy values for carbohydrates, fat and protein that remain the standards for today. He studied nutrient losses in processing and cooking. He pioneered food consumption surveys in various geographic

areas, and among differing ethnic and socio-economic groups. He was concerned with nutrition problems of all disadvantaged people.

From Atwater's time forward, the USDA, along with the state agricultural experiment stations and cooperating land grant universities, has continuously made significant contributions to our knowledge of nutrition.

In 1977, the U.S. Congress designated USDA as the lead federal agency for human nutrition research. Congress directed USDA to expand its research efforts in the area of normal nutrition for healthy individuals.

This is a reponsibility we take seriously, because we view the U.S. food and fiber system as a continuing process. This process starts with the use of soil and water for production. It spans through harvesting, processing—right up to distribution to the consumer. A myriad of industries and enterprises contribute to the flow of products through the system.

Now let's look at what research has given us already. We have the ability, for example, to identify the importance of trace minerals from soil to human consumption. Our Plant, Soil and Nutrition Laboratory in Ithaca, N.Y., conducts experiments to determine both the amount and the location of the trace minerals in the plant.

In subsequent experiments, parts of the plant are fed to domestic animals and humans to determine the bioavailability of the minerals. This way, it is possible to determine the fate of the trace minerals from soil to humans. This integrated laboratory is unique, touching all aspects—soil, water, air, plant, domestic animal and human nutrition.

USDA has been the source of data on the nutritional habits of Americans since shortly after the beginning of this century. In the last year and a half, we have moved to link this data-gathering activity with similar efforts by the Department of Health and Human Services. The result will be a Nutritional Status Monitoring System which will yield better and more complete information on America's nutritional health.

USDA's research in human nutrition is telling us more about our body's nutrient needs, and the bioavailability of various nutrient forms. In other words, we are learning about what foods can be combined to give Americans a good diet throughout the life cycle. This work is

taking place at four USDA regional nutrition research centers—Beltsville, Md.; Grand Forks, N.D.; Houston and San Francisco.

In addition, USDA funds nutrition research at all land-grant universities. Here in Boston, we have awarded close to a half million dollars in competitive research grants to MIT and Harvard.

And in spite of the brakes applied to federal spending, our funding for nutrition research has increased. In the future, we will encourage the expansion of private/public cooperation in support of USDA nutrition research activities.

Besides developing nutrition information, we are responsible for getting the results of our research to the users—the medical community and nutrition professionals.

We have developed the nutrient data bank—virtually the repository of all the world's basic food composition data. This service provides nutritionists everywhere with information on the nutritional value of foods. When completed, we will have 23 volumes, including 600 thousand items.

Through the Extension Service, USDA accesses a nationwide network of skilled professionals who are providing timely and sound nutrition education to the public. Some of the extension nutrition education programs are targeted at low-income households here in Boston.

Looking to the future, I'm eager for the Extension Service to play an important role in a major new effort—informing the public that sound nutrition and reasonable exercise can help make Americans feel better and live longer.

Also, last February I signed an agreement with the American Red Cross on a joint program to provide nutrition classes for the public. It's another example of how a cooperative effort can provide the public with all-important nutrition information. And in the future, we hope to see even more private involvement.

Finally, I want to add that we are continuing to meet the nutritional assistance needs of low-income Americans through programs like food stamps and school lunch.

USDA's commitment to human nutrition is reflected in our very good record. In total, activities with a direct focus on meeting the

nutritional needs of Americans account for about 60 percent of the USDA budget.

The center we are inaugurating today will play a major role in our commitment to excellence in nutrition research. Through what we learn here, those citizens who have given their youth to build our nation can enjoy a healthful, productive and longer life. Thank you.

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Remarks prepared for delivery by Secretary of Agriculture John R. Block at the National Agricultural Bankers Conference, Chicago, Ill., Nov. 10, 1982.

Almost everyone you talk with will tell you that agriculture is in trouble today.

Farm prices are too low; production costs are too high; net farm income is too small; the farm debt load is too heavy; and interest rates are excessive. You hear it every day.

I am not pleased with the present conditions in American agriculture; you aren't; and we know that farmers aren't.

Your challenge, and mine, is to see what we can do about it. There are some important, meaningful things that we can do. There are some things that we shouldn't do. To come out with the right solutions, and not compound our difficulties, we need to understand, first, how we got into trouble.

Can there be any doubt that agriculture's first problem is that we have more product around than we can use right now? I see it every day as I look at the farmer-held grain reserve of nearly 1.4 billion bushels of corn and another 300 million bushels under loan—and 918 million bushels of wheat in the farmer-held reserve and another 107 million bushels under loan. We grew about one-third of the world's feed grains this year, but we'll probably hold close to three-fourths of the world's carryover at the end of the 1982/83 crop year. That's not good.

I can also tell you that I have nightmares over our CCC holdings of 400 million pounds of butter; 800 million pounds of cheese; and 1.2

billion pounds of non-fat dry milk. That's enough non-fat dry milk to take care of commercial demand for 2 years.

Our cotton carryover on Aug, 1 was nearly 2-1/2 times as large as last year; wheat carryover next June 1 will be up 43 percent from 2 years ago; and the soybean carryover next October will be 60 percent larger than this year.

How did we build up such supplies of farm products? There are two parts to the answer. One relates to what happened in the 1970's; the other relates to what has happened in the 1980's—and they are quite different.

What Happened in the 1970's

The decade of the 1970's was a time of tremendous growth in American agriculture.

In the fall of 1971, just 11 years ago now, corn prices were around $1.05 a bushel at Chicago. We had too much corn.

A few months later—on July 8, 1972—we announced a three-year agreement to sell grain to the Soviet Union. We had a huge carryover of wheat on hand. Wheat was selling for $1.52 a bushel at Kansas City.

Just 2 years later, in the fall of 1974, our secretary of agriculture stood on a platform at the World Food Conference in Rome and along with the heads of agriculture from around the world addressed the problem of worldwide food shortages. On that day corn sold for $3.62 a bushel at Chicago; wheat sold for $5.08 a bushel at Kansas City; and soybeans sold for $8.32 per bushel at Chicago. A remarkable turn-around in 2 years.

You remember some of the causes of those food shortages. The drought in the Soviet Union and in Australia. The crop failures in the Sahel. Rice shortfalls in much of Asia. A poor monsoon in India. A sudden loss of the fish catch for animal protein off the coast of South America. A drought in the U.S. in 1974 that cut average corn yields 20 bushels an acre—the sharpest drop in history. Wheat yields were the lowest since 1967.

Meantime there was a surge in food purchases by Japan and Europe, which was far larger than the Soviet purchases. Economies were expanding around the world, and a decline in the value of the

American dollar made our agricultural world, and a decline in the value of the American dollar made our agricultural exports easier to buy with foreign currencies.

If you looked at the long-term trend line of food production and food consumption, the food production line in the mid 1970's faltered and hesitated; the demand line for U.S. farm products surged upward—U.S. agricultural exports went from $6.7 billion in fiscal year 1970 to $40.5 billion in fiscal year 1980. That's a six-fold increase in 10 years. That was unprecedented.

You know the results of such expansion in demand; you saw it in your bank deposits. Net farm income went from $14.3 billion in 1969 to $33.4 billion in 1973, and ended the decade of the 1970's at $32.3 billion in 1979.

Cash receipts from farming jumped from $48 billion in 1969 to $87 billion in 1973, and ended the decade at $132 billion—up more than 2 1/2 times in 10 years.

Farmers did what you'd expect. They tooled up to produce. Purchases of farm machinery and equipment went from $2.5 billion in 1969, to nearly $5 billion in 1974, to $8 billion in 1979 at the end of the 1970 decade.

The best way to get a quick boost in production is to use more fertilizer. Farm fertilizer purchases jumped from just over $2 billion in 1969 to more than $7 billion at the end of the 1970's.

Meantime, non-real estate farm debts—money borrowed to fuel this agricultural machine—jumped from $22 billion in 1969 to $63 billion in 1979. The Farmers Home Administration placed more total loans in the 4 years, 1976 through 1980, than in the previous 30-year history of the Farmers Home Administration.

It was a climate of almost wild expansion. Many people had a hand in stirring it up and waving it on.

An editor of a Midwest state farm magazine remarked the other day that as he looked back at the 1970's he was afraid that he was guilty of having encouraged too much beef expansion in his state, too much land buying by farmers to expand operations, and too much borrowing. He asked: "Aren't we all a little guilty?"

You remember, of course, what many agricultural financial experts were saying to farmers in the 1970's. "You don't have to be out of

debt; that's a Depression ethic; there's nothing wrong with being perpetually in debt."

And, my, how the borrowing did pile up. You helped. So did others. It was the age of the young farm tigers. You bet on them. You wanted your share of those vigorous, expansion-minded young farm managers in your bank. You and they together threw money—mountains of money—into agriculture. Borrowed investment in agriculture in the 1970's— another name for farm debt—soared from $47 billion in 1969 to $127 billion in 1979.

The climate of the 1970's was a climate of inflation, expansion, rising prices, and rising expectations.

Land was the thing. Land and leverage. But you needed land. And how land seemed to come out of the bushes in the 1970's:

Cotton plantings increased over 2 million acres between 1969 and 1979; corn plantings went up 17 million acres; wheat plantings increased 18 million acres; and soybean plantings soared 29 million acres.

The U.S. planted acreage of these four crops alone increased from 172 million acres in 1969 to 238 million acres in 1979—up 66 million acres, or an increase of 6-1/2 million acres a year, up nearly 40 percent for the 10 years of the 1970's.

Add increased yields to our additional acres and we boosted total grain production from 205 million metric tons in 1969 to 303 million metric tons in 1979—up 98 million metric tons, or 48 percent.

But here's something that has escaped many people's attention. Increased domestic use in the 1970's absorbed only 18 million metric tons of that increase of 98 million tons. That's probably the most amazing figure of all that we've mentioned today. Where did the other 80 million metric tons go? Well, 75 million tons of the increase—nearly 80 percent of it—went overseas in exports, and about 5 million tons was a buildup in carryover stocks.

This was a tremendous decade in the history of American agriculture.

What Went Wrong in the 1980's?

Agriculture came roaring into the 1980's with a huge plant pulsating with production capacity. Then something went wrong.

Planners have a favorite expression they use as they size up the future. They call it a scenario. They make certain assumptions. Well, the scenario and reality changed dramatically in 1980.

*** President Carter imposed an embargo on grain shipments to the Soviet Union on Jan. 4, 1980.

Suddenly our 70 percent share of the Soviet grain imports sank to 30 percent. Canada doubled its grain exports to the Soviet Union; Australia tripled its grain exports to the Soviets; the Common Market countries of Europe also tripled their exports of a wide variety of farm products to the Soviets; and Argentina quadrupled its grain exports to the Soviet Union. Acreages have since increased in those countries, and some of the countries have locked in the increase with new long-term trade agreements with the Soviet Union.

We not only lost sales in 1980; our reputation as a reliable supplier suffered—and those twin problems have plagued us ever since.

That's not a good position to be in when nearly 80 percent of the increased U.S. grain output in the 1970's depended on an export market and when about one-fourth of farm income comes from exports.

*** The U.S. economy sank into a recession in 1980.

In 1980 inflation, interest rates, prices, costs, taxes, and government spending all soared. Housing starts, industrial output, car production, metal manufacturing, private investments, and the purchasing power of wages all sank.

Suddenly, the bubble burst in 1980, and the economic expansion of the late 1970's built on the quicksand of inflation, sank into a recession. Unemployment in 1980 increased 24 percent; unemployment claims jumped 26 percent. The economy fell into a sick bed.

This weakened the U.S. domestic market for farm products—which is farmers' No. 1 market. The farmers' No. 2 market had already been savaged by the grain embargo.

Little wonder that the purchasing power of farmers' net farm income plunged 45 percent in 1980—nearly cut in half in one year—down to the lowest level of net farm income purchasing power in 48 years.

*** We got two excellent U.S. growing seasons in a row.

American agriculture has never seen anything like it. Last year we had a 8.2 billion-bushel corn crop; this year, 8.3 billion—each a new

record, and 13 percent more than the previous 2 years combined. A year ago we had 290 million bushels of corn under loan and in the farmer-held reserve; now we have 1.7 billion bushels.

Last year we had a 2.79 billion-bushel wheat crop; this year, 2.81 billion —each a new record, and 24 percent more than the previous 2 years combined. A year ago, we had 644 million bushels of wheat under loan and in the farmer-held reserve; now we have more than 1 billion bushels.

Last year we had 2.0-billion-bushel soybean crop; this year, a record 2.3 billion—carryover at the end of the marketing year probably will be up 60 percent.

*** The expansionist economies of the 1970's around the world also sank into a recession simultaneously in the 1980's.

The unemployment rates in England and France have surpassed that of the United States. Several countries have slipped into severe financial distress: Poland, Mexico, Romania, Brazil, Peru, Venezuela, Bolivia, and other nations. As yet, signs of recovery are difficult to find. These developments weaken the demand for U.S. farm products as these and other countries are less able to come up with the funds to import agricultural products.

*** A stronger dollar in international markets has slowed the volume of U.S. farm exports.

The strength of the dollar is set in international money markets—and the increased value of the dollar, which in relation to the currencies of 10 major countries is at the highest level since 1969, is a sign of increased confidence overseas in the U.S. economy. That is a mixed blessing, because it also means that foreign importers of U.S. farm products get less volume for their currencies. Even though the price of U.S. wheat was declining, the price to foreign buyers in their currencies increased by 160 percent over the last 2 years.

*** Restrictive trade practices hurt U.S. farm export sales.

There is a worldwide tendency toward restrictive trade policies these days. Two are giving us special problems. One is in Japan, which is a good customer of ours, but which does discriminate particularly against our beef and citrus. The Japanese workers who get a pay check from building cars and TV sets for the American market have to pay $1 for

an American orange and $17 a pound for beef because of Japanese trade restrictions. Where's the justice in that?

The European Common Market started building a trade wall around its 10 member countries 20 years ago for the purpose of becoming more self-sufficient in agriculture. But that point has been passed. The Common Market went from a net importer of 20 million metric tons of grain per year in the 1960's to a net grain exporter by 1980. Not content with being more self sufficent, the Common Market went beyond that. It is subsidizing its excess production into exports that compete with American farmers. Our farmers must compete against the treasuries of European capitals. What's fair about that?

Between 1976 and 1980 Common Market dairy exports tripled; sugar and wheat flour exports doubled; meat exports increased until the Common Market is now the second largest beef exporter in the world; and the Common Market went from the world's largest poultry importer a few years ago to become the world's largest poultry exporter, with 35 percent of the world market, built on export subsidies. That hits American farmers squarely between the eyes.

No wonder that our farm prices and net farm income are too low. The question is: What do we do about that?

A Successful Farm Program for the Remainder of the 1980's

We are now at a crossroads. We must deal with the realities of the 1980's, keeping in mind that agriculture is a dynamic industry, subject to change—as we have learned well in the last dozen years.

We must take a good hard look at our situation. We must come up with improved solutions that fit this new environment of the 1980's.

Recently at a national meeting of the American Agricultural Editors' Association, the president of a large farmer cooperative, the head of a large feed company operation and the head of a farm equipment company agreed on a panel discussion that farming will still struggle in 1983, turn the corner in 1984 and be profitable and strong in the last half of the 1980's. They are committing their organizations to that expection. I share the optimism.

I would like to touch briefly on three aspects of successful farm programs for the rest of the 1980's. (1) What farmers can do.

(2) What the federal government can do. (3) And what the federal government should not do.

First, what farmers can do.

A national conference of economists, agronomists, farm bankers and farm media last summer concluded that this is a time for farmers to engage in survival management. Managing with an eye on potential losses on the downside instead of pushing optimal management to extract the last dollar of profit. With today's costs and farm financial structure, one bad year can cripple or even wipe out a farmer. That meeting concluded that there's too much risk right now in going for the last dollar of profit in today's environment.

This is a time to reduce risks and not get too far out on the limb. A time to diversify if possible.

In a time like this, high-cost producers are in trouble. It is not the small producers that are automatically high-cost producers, either. From my observation, and from studies made by farm economists across the country, I'd say that the medium-sized farmers are more likely to be low-cost producers. And many of the small producers with supplemental off-farm sources of family income have a better cash flow than many full-time farmers.

It is also time to concentrate more on marketing possibilities. forward selling, hitting seasonal peaks, more direct selling.

It is a time to cut total costs with conservation tillage and other energy saving measures.

It is also a time not to bet on inflation. Some inflation over a long time is historical reality. But the dose of inflation that this nation endured in the last half of the 1970's has given the country a bad taste for that kind of unsound economic policy.

You can help farmers, too, with lending programs that emphasize cash flow instead of net worth. Net worth is important if a farmer is selling out, but the cash flow to meet expenses, interest, and debt repayment is vital if a farmer is going to stay in business.

Farmers can also reduce acreage through the voluntary government programs and use the loan to get past harvest gluts, meet expenses, and ride out temporary excess supply. Only about a fourth of the feed grain farmers and half of the wheat growers used the 1982 acreage reduction

programs. I urged them to get in last spring. Those who did are mighty happy they signed up and complied.

Now, let's assess what the government can do to help farmers.

During the next 2 years, farmers, farm and commodity organizations, the Congress, and the administration will be discussing changes in the farm program. It will be a discussion of the role of government and what it can, and should do. It will be a far-reaching discussion and the outcome will set the background for the rest of the 1980's.

There are some things that government can do.

Farmers' No. 1 market is the domestic commercial market. The condition of that market depends on the strength of the economy. Thus the first priority of government is to help build and maintain a vibrant, strong, sound, and expanding job-making economy.

We have made a good start in the last 22 months. The 1980 inflation rate of 13-1/2 percent has been cut to about 5 percent. The prime interest rate of 20 percent or more in 1980 has been cut to 12 percent—and every one point drop in interest rates on the outstanding farm debt has the potential to raise farm income 10 percent. In September the prices that farmers pay for all commodities —including services, interest, taxes, and wage rates—were 3.3 percent higher than a year ago, compared with a 12 percent increase in 1980.

Farmers' No. 2 market is the export market. The rules of international trading are set by governments. So our government has a responsibility to help American farmers capitalize on their efficiency by working to keep inter- national agricultural markets competitive; to free up trade restrictions; to counteract subsidized farm exports where American farmers must compete against foreign treasuries.

Where our government is not successful in freeing up trade, or removing obstacles, or reducing foreign export subsidies, then we need to fight fire with fire. I don't like to see it; but I don't want us to sit by and watch American farmers lose markets because we don't like the rules of the game and can't get them changed. I favor using a greater share of our available public funds in aggressive programs to expand exports. Recently, I announced a three-year $1.5 billion "blended credit" program—interest-free direct export credits blended with

government guaranteed private credit—to expand agricultural exports through lower interest rates on those exports.

I don't think the American public wants the government to sit by while our farm exports suffer. Every American has a stake in our farm exports, since those exports create a favorable balance of trade that compensates for our deficits in industrial trade. Our strong favorable balance in agricultural trade benefits every American who uses petroleum or imported consumer goods. Every $1 billion in agricultural trade creates an additional $1 billion in U.S. economic activity; that means jobs—35,000 jobs for each additional $1 billion in exports.

We must maintain our creditability as reliable suppliers. That reputation has been tarnished only by our Government, not by farmers and their ability to produce and be competitive. This administration has a strong policy to support farm exports. That must be maintained.

The government also has a proper role in helping farmers make temporary economic adjustments. We can help farmers adjust production. We announced the 1983 farm commodity programs early. They are voluntary. We fully expect that many more farmers will be using them in 1983.

We can offer farmers loans on their crops to carry them over harvest gluts and periods of unusual production. We provided a record $12 billion in financial assistance to farmers in fiscal 1982, with $6 billion of that in the form of commodity-secured loans that farmers will repay or turn the commodities over to the government to sell. There is a limit to this, however.

We can help farmers insure against natural risks with an aggressive crop insurance program. We have that kind in place; we are continuing to make improvements in it.

The Farmers Home Administration is working closely with the American banking community, and with the farm credit system, to help farmers find operating credit. In fiscal 1982, the Farmers Home Administration shared with private lenders in participation lending for 30,000 loans. That was nearly double the participation loans the year before. I pledge you that we are anxious to work with you in 1983 to help farmers pull through and get on a sound footing.

Perhaps we can do more to emphasize research on new uses for farm products. We maintain a strong research program to increase farm

production and reduce farm costs—it seems only logical to me that we also emphasize research and pilot projects to find new uses for the increased production.

Next week, I shall be meeting with a small group of agricultural leaders to explore new programs for the rest of the 1980's. We want to get the best thinking we can find to help us chart a sound and successful course for the nation's agriculture. We don't have all the answers, but we can work together and get the job done. We are not afraid to look at the tough problems and evaluate new and different solutions. We will welcome your suggestions.

I can tell you that we may have to consider some dramatic and drastic measures that are radical departures from the past. We are looking at a likely carryover of more than 140 million metric tons of grain at the end of this marketing year. That's more than double what it was 2 years ago.

We can't be content with tame solutions. Until we get these stocks down and demand up, prices aren't going to improve. We can't leave the future of farming to the vagaries of the weather. On the other hand, there are some things we shouldn't do.

As we tackle our problems during the next 2 years, we should remember certain principles which we have learned through 50 years of experience with Government farm programs. We shouldn't overlook these sound lessons because we neglect history or because we get caught up in emotions or easy compromises that condemn us to relive our mistakes of the past.

As we engage in our farm policy discussions in the next 2 years, we should remind ourselves that:

— Government warehouses are not a market for farm commodities. They are a temporary haven to ride out a short storm. What goes in must come out.

— A cheap food policy is detrimental to farmers and to consumers. There isn't going to be food unless farmers raise it; and they can't sell it for less than it costs to raise it—not for long.

— Strict acreage and marketing controls become institutionalized in the form of government franchises to produce—and inevitably these are used to level down farmers and keep out young producers, and the industry becomes inefficient by setting past relationships in concrete.

— The government can't raise prices permanently without controlling the farm business. A government which interferes over time with the signals of a free and competive market, interferes with long-term adjustments and hurts the industry.

— A government which actively supports your business, sooner or later gets around to actively running your business.

— Markets that are made by consumers voting with their dollars every day in the market place are better than programs made by politicians who vote occasionally on what they think is best.

— Politicians count votes—and farmers don't have all that many.

— Government loan programs that offer credit which farmers can't pay back from earnings don't help farmers—they get them in deeper and eventually put them out of business.

— Farm programs that try to make farming profitable for everyone create overproduction which makes farming unprofitable for everyone.

—A guaranteed price that removes risk creates more production than the same price level arrived at on the open market—and encourages overproduction. The dairy surplus was caused by support levels that sent signals to dairy producers to produce more than the commercial market would take.

—A government which becomes pervasive in protecting farm prices on the downside will in time perceive that it can also control farm prices on the upside.

— Government support programs can't ignore international commodity markets for very long, else they may place an umbrella over foreign competition and encourage foreign production.

— Government can't continually cut crop production to enhance international prices, else it will end up supplying the acreage reduction for the world while others increase their acreage.

— There is no such thing as a painless economic society requiring no change. The risk of failure is the opportunity to succeed.

— The government can speak on behalf of farmers, but cannot speak for farmers. That is a job for farmers themselves.

Looking ahead, I am optimistic. First, American agriculture and American farmers are more efficient than most other industries in the United States. Output per hour in agriculture has been increasing about

three times as fast as in industry. Further, we are more efficient than the agriculture in other countries. We are competitive.

Second, we are in a growth market. Our potential market—the human population—is growing all around the world. And we have something that no other business has, and we aren't going to lose it. The very first priority of a growing, enlightened population of expanding expectations around the world is food. And that's not going to change. The second priority of people everywhere is better food and a more plentiful and stable supply.

I'm confident that we can turn the 1980's around and make them profitable. We know what our problems are; we know the mistakes that we should avoid. The U.S. economy—farmers' No. 1 market—is turning now and gathering strength. It is headed in the right direction. The increase in employment will follow—and the dollars that job holders earn will have more purchasing power.

We know what we have to contend with in farmers' No. 2 market—the world of agricultural exports—and we're prepared to bite the bullet. The agricultural markets of the 1980's and beyond will be growth markets. Our farmers expect to be there as those markets grow.

I want the world to hear loud and clear that American farmers are the most efficient in the world. They are competitive. They are reliable suppliers. We are prepared to help them use that competitive advantage, and to strengthen it—and I'm sure that you are, too.

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News Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

USDA ISSUES FIRST SIGNUP REPORT FOR 1983 CROPS

WASHINGTON, Oct. 29—During the first three weeks of the 1983 farm program signup period, farmers enrolled 200,000 base acres under the upland cotton program, 8.7 million under the feed grain program and 8.7 million under the wheat program, according to figures released today by the U.S. Department of Agriculture.

Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, said the signup, which continues through March 31, is required before farmers are eligible for program benefits such as commodity loans, target price protection, land diversion payments and the grain reserve.

At the time they sign up, producers may request an advance of 50 percent of their projected deficiency payments and 50 percent of their land diversion payments. When farm prices are below the target price, a deficiency payment is made equal to the difference between the target price and the higher of the market price received by farmers or the loan rate.

Base acreage on which advance deficiency payments have been requested, to date, totals 155,000 under the upland cotton program, 5.4 million under the feed grain program and 6.4 million under the wheat program.

Base acreage on which advance diversion payments have been requested totals 5.7 million under the feed grain program and 6.4 million under the wheat program. Cotton advance diversion acreage data is not available for this report.

Farmers who sign up to participate in the upland cotton, feed grain and wheat programs agree to reduce their base acreage of these commodities by at least 20 percent.

Feed grain producers sign up for a 10 percent acreage reduction and a 10 percent paid land diversion, while the requirements for wheat producers are a 15 percent acreage reduction and a 5 percent paid land diversion. Upland cotton producers sign up for a 20 percent acreage reduction and have the option of a paid land diversion of up to 5 percent.

The acreage taken out of production will be devoted to a conservation use, Rank said.

The 1983-crop national average loan rate for upland cotton is 55 cents per pound. Per-bushel loan rates for grains are: barley, $2.16; corn, $2.65; oats, $1.36; sorghum, $2.52; and wheat, $3.65.

The 1983 target price for upland cotton is 76 cents per pound. Per-bushel target prices for grains are: barley, $2.60; corn, $2.86; oats, $1.60; sorghum, $2.72; and wheat, $4.30.

USDA will issue updated signup reports on or about the fourth Friday of each month, Rank said.

The total 1983 acreage bases and a state-by-state breakdown of all the signup data is not available for this report but will be presented in future signup reports.

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BLOCK ANNOUNCES FIRST BLENDED CREDIT SALE

WASHINGTON, Oct. 29—Secretary of Agriculture John R. Block today announced approval of the first credit package under the new blended credit program unveiled last week to expand exports of U.S. agricultural products.

He said the credit, offered for the sale by U.S. exporters of 1.1 million metric tons of wheat to Morocco, will result in U.S. wheat exports that would not normally have been made, based on USDA analysis of market prospects for marketing year 1982/83.

Proposals for blended credit packages from several more countries are under consideration, with more approvals expected to be announced next week, he said. Under the program, interest-free direct government export credits are blended with government-guaranteed private credits to produce a lower interest rate.

"This new credit is opening up untapped demand and that was the purpose of the program—to generate additional demand for U.S. agricultural exports," he said.

Block said $28 million in direct credit and $112 million in credit guarantees were approved for Morocco for the purchase of the wheat.

He said this will boost Morocco's imports of U.S. wheat from the 600,000 tons projected earlier to 1.7 million tons—out of total Moroccan wheat imports of 1.8 million tons.

"We're very pleased with the quick results of our blended credit program," Block said. "This bears out our belief that there is additional demand in many countries that can be met with favorable financing.

"We have had a very positive response," he said. "Interest in the program has been widespread.. The program, authorizing $1.5 billion in blended credit to be spread over three years, was announced Oct. 20. The first $500 million was made available for fiscal year 1983.

The reduced interest rate will be achieved by blending $100 million of interest-free direct government credits, using Commodity Credit Corporation GSM-5 direct credit authority, with about $400 million of the GSM-102 program, which guarantees loans made by commercial institutions.

#

U.S.-USSR GRAIN CONSULTATIONS COMPLETED IN VIENNA

WASHINGTON, Oct. 29—Under Secretary of Agriculture Seeley G. Lodwick issued the following statement in Vienna, Austria, today:

"We have just concluded the first session of regular, semi-annual grain consultations for the 7th year of the U.S.-USSR grain agreement, which extends through Sept. 30, 1983. During these talks, we followed the same basic agenda covered in past consulations, including a thorough review of the world supply/demand situation, U.S. supplies, possible Soviet import needs, and the record of purchases and shipments thus far for this year.

"The Soviets confirmed that they purchased and shipped about 6.1 million metric tons of wheat and about 7.6 million metric tons of corn from the U.S. during the 6th year and that thus far, purchases for the 7th year delivery total about 1.6 million metric tons of corn. It was reported that purchases of grain from all origins for shipment in the July-December 1982 period total around 12 to 13 million metric tons, but that there could yet be some further purchasing for that shipment

period. This slow-down had been projected by the Soviets during the previous consultations. No specific indication of the 1982 crop size was given but it was noted that this was the fourth consecutive year of disappointing outturn.

"A key point is that during these talks we officially advised the Soviet Union that, in addition to the 8 million metric tons provided for in the agreement, the U.S. would make available an additional 15 million metric tons for Soviet purchase during the 7th agreement year (Oct. 1, 1982-Sept. 30, 1983), without the necessity of further consultations. (No proportion of wheat and corn was specified.)

"We also stated that for any Soviet purchases made against the 15 million metric tons during November and shipped within 180 days, the U.S. is extending the same assurances that are now given under Article 2 to the basic 8 million metric tons of trade. It was explained that the Soviets do not need to complete purchases of the basic 8 million metric tons before they buy against the 15 million metric tons and take advantage of these additional supply assurances. At this time, the Soviets have contracted for 1.6 million metric tons of the basic 8 million metric tons. The remaining 6.4 million metric tons may be purchased at any time during the year and will be covered by Article 2 assurances throughout the year.

"At this stage, and particularly this year, it is simply too early to judge what total Soviet grain import requirements for the current October/September year will be or what amount may come from the U.S. Based on our talks, however, I do believe that, in view of both the steps being taken to resume expansion of livestock feeding and the continued improvement of handling capacity for importing grains, large imports will continue. The Soviets indicated that their imports in the coming year are very unlikely to exceed the past year's level and perhaps might be noticeably less, depending upon their crop and the availability of funds. They said that any decline might be larger for feedgrains than for wheat, depending on the final outcome of their corn crop. It was indicated that their 1982 wheat crop was larger but poorer in quality than last year. They added, however, that their long-term plan is to become gradually self-sufficient in wheat but would require continued substantial imports of feedstuffs.

"Prospects for our own trade, I believe, are very good. With regard to trade above 8 million metric tons, the Soviet side indicated that the U.S. had moved in the right direction but they asked a number of clarifying questions and showed particular concern about the limited duration of the offer of extra supply assurances. My impression is that these steps will enable the Soviets to take a larger portion of their grain imports from us this year than would otherwise have been the case. Moreover, supplies from certain other origins are limited this season and the Soviets are well-aware that with our marketing system they can be certain of getting competitive prices, the types of grain they want, unmatched flexibility in loading, delivery and vessel size, as well as other services to accommodate the Soviet market most efficiently. I think there is a good chance that the volume of our trade could exceed any previous October-September level, especially if Soviet needs should hold at the 40 million metric ton level or if the Southern Hemisphere corn crop is disappointing next March-April.

"During the meeting, I indicated that the additional supply assurances available on grain purchases above the basic 8 million metric ton level would also apply to any other U.S. agricultural products purchased by the Soviet Union during November and shipped within 180 days. At the same time, I emphasized that there are abundant exportable crops, not only of wheat and corn but of rice, soybeans and other commodities as well, which are now available from the U.S. We also pointed out the size of the Soviet purchases could be important not only as a signal for U.S. farmers as to the size of crops they should produce in both 1983 and 1984 but also as a key longer-run factor in the evolution of U.S. farm programs and in the general availability of grain on the world market at prices reflecting most efficient production.

"It was agreed that the two sides will remain in close contact over the coming months. The U.S. indicated that, should Soviet purchases for the 7th year begin to approach the 23 million metric ton level now available, the U.S. would promptly propose further consultations, as provided for in the agreement, to review supply availabilities and Soviet needs again.

"This would be done to assure that the agreement, at all times, serves the purpose of facilitating trade. In addition, it was tentatively

agreed that the next regular session of consultations will be held during the last week of March 1983.

"The Soviets cited a number of continuing concerns about the quality of U.S. grain. We agreed to continue our work with the Soviets and grain companies in an effort to improve the arrival quality of the U.S. grain. Specifically, plans were confirmed for a team of Soviet specialists to visit the U.S. for about 10 days beginning Nov. 16 to study the wheat scab situation.

"Under the terms of the 5-year U.S.-USSR grain supply agreement, which began in October 1976 and was recently extended for a 7th year, the Soviet Union buys at least 6 million metric tons of U.S. grain (3 of wheat and 3 of corn) annually.

"This was the twelfth regular session of consultations under the agreement. The Soviet delegation was headed by Deputy Minister of Foreign Affairs Boris Gordeev."

#

USDA ANNOUNCES RECALL OF HYGRADE BALLPARK FRANKS

WASHINGTON, Oct. 29--The U.S. Department of Agriculture today confirmed the voluntary recall of all Hygrade Ballpark Franks from five states after two consumers found razor blades in frankfurters.

The franks, produced by Hygrade Food Products Corp., Livonia, Mich., were distributed in Pennsylvania, Ohio, Indiana, Illinois and Michigan—with probable subdistribution to other states. They can be identified by the yellow "12M" stamp on the edge of the package.

"Any consumer who has bought Ballpark Franks with the 12M code should return them to the store where they bought them," said Merlin Nelson, acting administrator of USDA's Food Safety and Inspection Service.

Hygrade Food initiated the recall, Nelson said. Company officials said the incident apparently was caused by the actions of a "misguided employee" and the tampering occurred in the plant since the packages were intact when they reached the consumers. Hygrade has offered a

$10,000 reward for the arrest and conviction of the person or persons committing these acts, Nelson said.

The first incident occurred Oct. 27, when a woman in Detroit found one-half of a double-edged razor blade in a Ballpark Frank. The second occurred Oct. 28 near Ypsilanti, Mich., when a man was injured by an injector-type single-edged razor blade.

The company has stopped production of Ballpark Franks at its Livonia, Mich., plant. No products from Hygrade plants in other cities are involved in the recall, Nelson said.

"USDA compliance officers have gone to the plant to begin an investigation of the incident," Nelson said. Local and state police are also investigating.

#

CCC LOAN INTEREST RATE LOWERED TO 9.75 PERCENT

WASHINGTON, Nov. 1—Commodity and farm storage loans disbursed in November by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 9.75 percent interest rate, according to CCC Executive Vice President Everett Rank.

The new rate, down from 11 percent, reflects the interest rate charged CCC by the U.S. Treasury in November, Rank said. It is the lowest interest rate charged by CCC since the 1979 crop when the rate was 9 percent, Rank said.

#

WITCHWEED REGULATED AREAS CHANGED IN NORTH AND SOUTH CAROLINA

WASHINGTON, Nov. 1—Areas in North Carolina and South Carolina regulated to prevent spread of witchweed—a destructive weed found only in those two states—have been changed, a U.S. Department of Agriculture plant protection official said today.

Witchweed is a parasitic plant that attacks corn, sorghum and certain other crops. It attaches itself to roots of a host plant, sapping it of needed nutrients and moisture.

Thomas J. Lanier, an official with USDA's Animal and Plant Health Inspection Service, said regulated areas may vary in size from a single farm to an entire county. Regulations restrict the movement of products or equipment that could spread witchweed.

Lanier said all or part of 5 counties in South Carolina and 14 in North Carolina which had been infested are now free of witchweed. As a result, regulations have been lifted from all of Chesterfield and part of Darlington, Florence, Horry and Marlboro Counties, S.C., and part of Brunswick, Columbus, Craven, Cumberland, Duplin, Harnett, Hoke, Johnston, Lenoir, Onslow, Pender, Richmond, Scotland and Wayne Counties, N.C.

"Some new infestations have also been found," Lanier said. "The newly affected areas are being brought under regulation. They are in Marlboro County, South Carolina, and Craven, Duplin, Lenoir, Pender and Wayne Counties in North Carolina."

Details will be published in Nov. 1 Federal Register. Comments may be sent until Jan. 3 to T.J. Lanier, Regulatory Services Staff, Plant Protection and Quarantine, APHIS, USDA, room 643 Federal Bldg., 6505 Belcrest Rd., Hyattsville, Md., 20782.

#

EGYPT, YUGOSLAVIA APPROVED FOR BLENDED EXPORT CREDIT

WASHINGTON, Nov. 1—Secretary of Agriculture John R. Block announced today that blended credit has been approved for the sale to Yugoslavia of U.S. cotton and to Egypt of U.S. wheat, vegetable oil and corn.

He said the credit packages, with a combined total of $170 million, will open the way for the sale by private U.S. exporters of nearly a million tons of U.S. agricultural commodities that would not have been sold without the new credit program, which was announced Oct. 20.

"Additionality—sales beyond what we could have expected—has been our primary objective," Block said, "and we are very pleased with the results."

Under the program, interest-free direct government export credits are blended with government-guaranteed private credits to produce a lower interest rate. A total of $100 million of direct credit and $400 million in credit guarantees has been authorized for the first year of the 3-year, $1.5 billion program.

The Egyptian credit package of $22 million of direct credit and $88 million of credit guarantees was approved for the sale of 500,000 tons of wheat, 300,000 tons of corn, and 50,000 tons of vegetable oil.

Each of these sales represents an increase over previously estimated import totals from the United States, Block said. The U.S. share of Egyptian wheat imports, which are estimated to total 4 million tons in marketing year 1982/83, will rise from 1.9 million tons to 2.4 million tons; that of vegetable oil will go from 160,000 tons to 210,000 tons. Total Egyptian oil imports are pegged at 325,000 tons.

Block said Egypt had been expected to import 1.2 million tons of corn this year, all from the U.S., and the blended credit will boost that to 1.5 million tons.

The package for Yugoslavia makes available $12 million of direct credit and $48 million of guaranteed credit for the purchase of 184,000 bales of U.S. cotton.

"This will be the first substantial sale of U.S. cotton to Yugoslavia since the marketing year 1968/69," Block said. "That shows what this program can do."

He said Yugoslav cotton imports this year are estimated to total 460,000 bales. The first credit under the program was announced Oct. 29, making available $140 million for the sale to Morocco of 1.1 million tons of wheat.

Blended credit proposals from several more countries remain under consideration, Block said, with decisions on approval due soon.

#

ROY M. KOTTMAN NAMED 1982 SEAMAN KNAPP LECTURER

WASHINGTON, Nov. 2—Roy M. Kottman, acting associate director, Agricultural Experiment Station, University of Nevada at Reno, will deliver the 1982 Seaman Knapp memorial lecture in St. Louis Nov. 8.

The lecture, the third in an annual series, will be part of the program for a meeting of the National Association of State Universities and Land-Grant Colleges at the Chase Park Plaza Hotel. Kottman's subject will be "The Land-Grant System—Intent and Outcome."

Kottman's selection to deliver the lecture was announced today by Mary Nell Greenwood, administrator of the U.S. Department of Agriculture's Extension Service.

Greenwood said this year's lecture is part of a continuing tribute to the history of the Cooperative Extension Services, which provide informal educational programs to help people solve problems at the state and local levels in cooperation with the USDA.

The lecture gets its name from Seaman A. Knapp (1833-1911), whom Greenwood described as "the father of the Cooperative Extension concept."

Knapp's success as the national leader of the farm and home demonstration system helped bring about the Smith-Lever Act of 1914. That legislation resulted in the organization of the Cooperative Extension Service in the states.

In his remarks, Greenwood said, Kottman will stress that research and education are "the keys to the knowledge kingdom" and that a continuing flow of new knowledge transmitted to all citizens through Extension, schools and outreach of business and industry is vital to increasing future world food supplies.

A native of Iowa, Kottman served as dean of the College of Agriculture and Home Economics, Ohio State University, for 22 years before his retirement last June 30. He earned bachelor and doctoral degrees from Iowa State University and a masters degree from the University of Wisconsin.

In 1977, Kottman presented a series of seminars in India and Bangladesh under the auspices of the United States Information Service

and in 1974, he served a co-host for a People-to-People good will delegation to Europe and the Soviet Union.

More recently, he has traveled in Saudi Arabia, Somalia, Kenya and Egypt.

Kottman now is a member of the Agriculture Higher Education Projects Committee of the Midwest Universities Consortium on International Development. He also is secretary of the Agricultural Institute and is a member of the board of trustees of the Farm Foundation and Advisory Council of the Foundation for American Agriculture.

#

USDA RELEASES COST OF FOOD AT HOME FOR SEPTEMBER 1982

WASHINGTON, Nov. 2—The U.S. Department of Agriculture today released its monthly update of the weekly cost of food at home for September 1982.

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost and liberal.

Esther Winterfeldt, administrator of the Human Nutrition Information Service, said the plans consist of foods that provide well-balanced meals and snacks for a week.

USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Winterfeldt said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families with less money for food. Families with unlimited resources might use the liberal plan."

Details of the four food plans are described in Home and Garden Bulletin No. 94, "Family Food Budgeting. . .for Good Meals and Good Nutrition," which may be purchased for $2.50 each from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

COST OF FOOD AT HOME FOR A WEEK IN SEPTEMBER 1982

	Thrifty	Low-cost	Moderate-cost	Liberal
Families:				
Family of 2 (20-54 years)	$34.10	$44.00	$55.10	$66.10
Family of 2 (55 years and over)	30.60	39.20	48.60	58.00
Family of 4 with preschool children	48.30	61.70	76.90	92.00
Family of 4 with elementary school children	58.30	74.60	93.40	111.90
Individuals in four -person families:				
Children:				
1-2 years	7.80	9.90	12.20	14.40
3-5 years	9.50	11.80	14.60	17.50
6-8 years	12.10	15.40	19.20	23.00
9-11 years	15.20	19.20	24.10	28.80
Females:				
12-19 years	14.30	18.20	22.50	26.90
20-54 years	13.90	17.90	22.20	26.50
55 and over	12.60	16.10	19.90	23.60
Males:				
12-14 years	16.10	20.40	25.50	30.50
15-19 years	17.70	22.50	28.20	33.90
20-54 years	17.10	22.10	27.90	33.60
55 and over	15.20	19.50	24.30	29.10

To estimate your family food costs:

— For members eating all meals at home—or carried from home—use the amounts shown.

— For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out five days a week, subtract 25 percent, or one-fourth the cost shown.

— For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

— For a one-person family, add 20 percent.
— For a two-person family, add 10 percent.
— For a three-person family, add 5 percent.
— For a family of five or six persons, subtract 5 percent.
— For a family of seven or more, subtract 10 percent.

#

BLENDED CREDIT APPROVED FOR CORN, WHEAT, SOY MEAL TO THE PHILLIPINES

WASHINGTON, Nov. 3—The U.S. Department of Agriculture has approved $40 million worth of blended credit for the sale of U.S. wheat, corn and soybean meal to the Philippines, Secretary of Agriculture John R. Block said today.

He said the credit will generate the sale of 150,000 tons more of U.S. wheat and corn than had been projected to the Philippines for the marketing year.

"Perhaps more important, at least for the longer term, is the fact that the blended credit will give us entry into the new and growing Philippines soybean meal market, which has been supplied almost entirely by Brazil," Block said, citing the 50,000 tons of soybean meal in the credit package.

Under the program, interest-free direct government credits are blended with government-guaranteed private credit to produce a lower interest rate.

The Philippines credit package of $8 million direct and $32 million guaranteed credit was approved for the sale of 100,000 tons of wheat, 50,000 tons of corn and 50,000 tons of soybean meal.

As a result, he said, Philippines wheat imports, all from the United States, will rise from the 850,000 tons expected earlier to 950,000 tons; total corn imports will reach 300,000 tons, with the U.S. share rising from 158,000 tons to 208,000, and soybean meal imports will increase to 250,000 tons, with the U.S. share going from zero to 50,000 tons.

The program authorizes blended credit of $1.5 billion over a period of three years, with $100 million of direct credit and $400 million in credit guarantees authorized for the first year.

The Phillipines credit package is the fourth to be approved since the program was announced Oct. 20. It brings the total of blended credit approved for this year to $350 million, comprised of $70 million in direct credits and $280 million in credit guarantees.

Proposals were approved earlier for Morocco, Egypt, and Yugoslavia.

Several more proposals are under consideration, Block said.

#

HYGRADE CANCELS RECALL OF BALLPARK FRANKS

WASHINGTON, Nov. 3—Hygrade Food Products Corp., Livonia, Mich., has stopped its recall of Ballpark Franks after an extensive examination of recalled product and after two of four reported tampering incidents proved to be hoaxes, the U.S. Department of Agriculture said today.

The company's decision to stop the recall was based on re-inspection of 600,000 pounds of suspect product that revealed no tampering or contamination by foreign objects, according to Donald L. Houston, administrator of USDA's Food Safety and Inspection Service.

In separate incidences, two persons confessed to police authorities in Michigan to falsely claiming to have found a razor blade and a tack in packages of franks they bought, Houston said. The other two consumers who claimed to have found razor blades in Ballpark Franks

have refused to undergo either initial or follow-up polygraph tests, he said.

"As a precautionary measure, consumers should examine Hygrade Ballpark packages and individual franks closely to ensure that packaging is intact and no tampering has occurred," Houston said.

The recall involved only franks from Hygrade's Livonia, Mich., plant. The franks can be identified by a "12M" embossed on the edge of the package. No products from Hygrade plants in other cities were involved in the recall.

#

HORSE IMPORTS FROM SWEDEN RESTRICTED BECAUSE OF HORSE DISEASE

WASHINGTON, Nov. 4—U.S. Department of Agriculture officials have imposed restrictions on the importation of horses from Sweden because of contagious equine metritis, a venereal disease of horses.

John K. Atwell, deputy administrator of USDA's Animal and Plant Health Inspection Service, said that Swedish officials reported finding the disease in a stallion that had bred about 40 mares within the past year. No clinical signs of the disease have yet been reported in the mares.

Atwell said the restrictions will affect the importation of breeding-age mares and stallions only. To be eligible for entry into the United States, animals over two years of age must undergo specific prophylactic treatments, and must pass three successive negative culturing for the bacteria at seven day intervals.

Mares must also have the clitorial sinuses surgically removed under the direction of government veterinarians. This is required because the clitoral sinuses have been found to be the site where bacteria are most likely to remain after clinical signs of infection have disappeared, Atwell said.

After passing U.S. port-of-entry quarantine, mares and stallions from countries affected with contagious equine metritis must pass extended state quarantine, with testing, and a repeat of the specific

precautionary treatment, under the supervision of veterinary officials in USDA-designated states.

Since discovery of the disease in Great Britain in 1977, 11 countries have had restrictions placed on horse exports to the United States because of the disease. They are Australia, Austria, Belgium, Denmark, Ireland, Italy, Japan, Federal Republic of Germany, France, Sweden and the United Kingdom.

Notice of this action is scheduled to be published in the Nov. 9 Federal Register.

#

USDA ISSUES FINAL REGULATIONS FOR TREATING GARBAGE FED TO SWINE

WASHINGTON, Nov. 4—The U.S. Department of Agriculture today issued minimum standards for the treatment of food waste to be fed to swine, a U.S. Department of Agriculture veterinarian reports.

John Atwell, deputy administrator of USDA's Animal and Plant Health Inspection Service, said the final regulations, which become effective Jan. 1, 1983, implement the Swine Health Protection Act.

"The law and regulations are designed to prevent the introduction and spread of domestic and foreign animal diseases through the feeding of raw or improperly treated food waste to swine," Atwell said. "Foreign diseases such as hog cholera, African swine fever, foot-and-mouth disease or swine vesicular disease are real threats to the swine industry."

The regulations prohibit the feeding of garbage to swine unless heat treated at a licensed facility. Treatment consists of boiling food waste for at least 30 minutes. Applicants for a license will have to demonstrate that their premises, facilities and equipment comply with the regulations. Facilities will have to be constructed to prevent access of swine to garbage handling and treating areas. The material will have to be covered until treated. The regulations also spell out how licenses can be suspended or revoked.

Atwell said nothing in the federal law or regulations prohibits a state from having more stringent requirements. Currently, 16 states

specifically prohibit the feeding of garbage to swine. They are: Alabama, Delaware, Georgia, Idaho, Illinois, Iowa, Louisiana, Maryland, Mississippi, Nebraska, New York, South Carolina, South Dakota, Tennessee, Virginia and Wisconsin.

In the 34 states and Puerto Rico that allow the feeding of properly treated food waste, state and/or federal inspectors inspect facilities, Atwell said. Under the Swine Health Protection Act, states have primary responsibility for enforcement. USDA and state officials usually have a cooperative agreement that coordinates the administration and enforcement of regulations.

Garbage is defined as all waste material derived from or associated with the meat of any animal, including fish and poultry, resulting from the handling and preparation of food. Food waste from ordinary household operations fed to swine on the same premises is exempt.

The final regulations are essentially the same as the proposal published in April, Atwell said.

#

USDA PROPOSES CHANGES IN PSEUDORABIES REGULATIONS

WASHINGTON, Nov. 4—Amendments to federal regulations, designed to prevent the spread of pseudorabies through interstate livestock market channels, have been proposed by officials of the U.S. Department of Agriculture.

L. W. Schnurrenberger, a veterinarian with USDA's Animal and Plant Health Inspection Service, said the proposed changes would clarify existing regulations, revise definitions, establish alternate means for swine herds to gain or regain health status and provide for improved interstate shipping.

"Experience garnered since pseudorabies regulations were issued in May 1979 has shown the need for some changes," Schnurrenberger said. "These proposals would improve the programs effectiveness and at the same time relieve producers of unnecessary restrictions."

The changes include a proposal that a herd of livestock other than swine be considered infected for a maximum of ten days following the

last clinical case of pseudorabies. Schnurrenberger said most infected animals will show signs of the disease within ten days. Swine, however, carry the virus without showing symptoms.

Changes also provide for retesting and evaluating swine that show a low-level reaction to serological testing. In some cases this may result from causes other than pseudorabies. Veterinary epidemiologists conducting such retests would be approved by the state veterinarian and the USDA veterinarian in charge in that state.

Procedures for regaining qualified pseudorabies negative herd status and for releasing known infected herds from quarantine would require testing of all animals, instead of only those over six months of age, under the proposal. Veterinarians have found that swine of any age can contract the disease, Schurrenberger said. Nursing pigs' health would be indicated by testing the sow.

Under the regulations, pseudorabies controlled vaccinated herds would have to maintain a minimum of ten percent unvaccinated animals for use in monitoring the herd's disease status through periodic testing. Vaccinated animals cannot be tested effectively since both vaccine and disease produce the same antibody reaction, he said.

Swine premises would no longer have to be cleaned and disinfected after removal of pseudorabies positive animals, under the proposal. Veterinarians have found that cleaning and disinfection is effective only when all swine are removed.

Other proposed amendments include:

— changes in the retesting schedules to allow more flexibility in accomplishing the required procedures;

— an alternate provision for regular testing to maintain qualified pseudorabies negative herd status;

— new isolation and testing rules for swine returning from shows;

— provisions for swine to move on owner-shipper statements from a farm of origin to an approved livestock market or to slaughter;

— additional freedom of movement from appproved livestock markets.

Comments on the proposed changes should be submitted by Jan. 3, 1983, to the deputy administrator for veterinary services, APHIS, USDA, Room 870 Federal Building, 6S05 Belcrest Rd., Hyattsville, Md. 2O782.

#

USDA RAISES APPLICATION FEE FOR PLANT VARIETY PROTECTION

WASHINGTON, Nov. 5—The U.S. Department of Agriculture has doubled the fee for plant variety protection to cover more of the costs of administering the program. The increase, from $750 to $1500, is effective Nov. 8.

Plant variety protection provides patent-like protection to developers of new and distinctive seed-reproduced plants ranging from farm crops to flowers.

Thomas H. Porter, an official with USDA's Agricultural Marketing Service, said budget reductions and increased costs of operating the program make an immediate increase necessary. The current fee has been in effect since 1972.

Porter said the increase was recommended to the secretary of agriculture by the Plant Variety Protection Board following a board meeting in September. The board, composed of members of the seed industry, plant breeders, farmers and representatives of universities, is established to advise the secretary of agriculture on the administration of the conduct of the plant variety protection program.

Comments on the interim final rule may be sent, in duplicate, to Kenneth H. Evans, USDA, Plant Variety Protection Office, Room 500, National Agricultural Library, Beltsville, Md., 20705, where they will be available for public inspection during regular business hours. Deadline for comments is Jan. 2, 1983. Further information is available at the Plant Variety Protection Office, telephone (301) 344-2518.

Notice of the increase is scheduled to be published in the Nov. 8 Federal Register, available at many public libraries.

#

USDA SCHEDULES ADDITIONAL HEARING SESSION ON FLORAL PROPOSAL

WASHINGTON, Nov. 4—The U.S. Department of Agriculture has scheduled a second Washington, D.C., public hearing session to consider a proposed research and consumer information order for flowers and plants.

Donald Kuryloski, a marketing official with USDA's Agricultural Marketing Service, said the additional session will begin at 9 a.m. on Nov. 18 in room 104-A of USDA's Administration Bldg., 14th and Independence Ave., S.W.

The first session, one of five scheduled around the country, was held Oct. 27-29 at USDA.

The proposed order and request for a hearing were submitted to USDA by the Floraboard Development Committee. The committee consists of flower and plant producers and importers.

Kuryloski said the proposed program is intended to carry out the provisions of the Floral Research and Consumer Information Act enacted last December.

The proposed order provides for a nationally coordinated research and promotion program financed by an assessment on certain flowers and plants. A producer or importer who did not wish to support the program could obtain a refund upon written request. All producers and importers whose total annual sales of cut flowers, potted flowering plants and foliage plants exceed $100,000 would be included under the order.

In addition to the first hearing in Washington, D.C., a session was held in Orlando, Fla., beginning Nov. 1. Another was held in San Francisco Nov. 4.

A fourth will be held Nov. 9, at 9:30 a.m., Fort Worth, Texas, Food Safety and Inspection Service Training Center, 2401 Scott Ave.—I-30 and Beach St. exit.

Kuryloski said any session may be continued more than one day if necessary.

#

USDA TO HELP HIKE PRODUCTIVITY OF PRIVATE, NONINDUSTRIAL FORESTS

SCOTTSDALE, Ariz., Nov. 4—Plans to help boost the productivity of the nation's privately-owned, nonindustrial forest lands were announced here today by Assistant Secretary of Agriculture John B. Crowell, Jr.

Recent studies by the U.S. Department of Agriculture's Forest Service will be the basis for change.

Crowell said the studies were designed to evaluate existing problems and opportunities for increasing the contributions of nonindustrial, private forest lands toward fulfilling the country's wood needs.

Speaking at a meeting of the Forest Industries Committee on Timber Valuation and Taxation, Crowell said the Forest Service will work with state governments, forest industries, forestry organizations, universities and individuals to solve the problems and make the most of the opportunities.

Forest Service emphasis, he said, will be on providing more effective public programs to encourage more productive management of the lands.

"Experts agree that the demand for wood products in the U.S. will double during the next fifty years," Crowell said. "These demands cannot be met without increasing the investment made by owners of nonindustrial forests, which account for 59 percent of this nation's commercial forest land."

Crowell said the Forest Service studies raised questions about several generalizations which have been used as the basis for addressing nonindustrial, private forest problems during the past 30 years.

One of the generalizations is that these lands are held by millions of landowners and consist of scattered small parcels that are difficult to manage economically. However, the studies showed that 74 percent of this forest land is in units of more than 100 acres and is owned by only 600,000 individuals.

The studies also showed significant economic opportunities for landowners to realize greater than a 10 percent real rate of return (after inflation) on forest management investments such as tree planting and thinning.

In addition, the studies indicated that nonindustrial, private forest landowners are carrying out more measures aimed at improving the productivity of their lands than was previously thought.

"These and other findings provide new opportunities to improve the effectiveness of public programs aimed at encouraging more productive management of nonindustrial, private lands," Crowell said.

Crowell said that it was time for the various groups interested in these lands to get together, review the results of the recent studies, identify relevant issues, and agree on an action plan to assure problems are properly addressed. He said the USDA would assume a leadership role in helping forge such a consensus.

Crowell said this new effort represents "a giant step towards making more productive use of a vitally important segment of our land base."

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USDA RECOMMENDS AMENDING POTATO RESEARCH AND PROMOTION PLAN

WASHINGTON, Nov. 8—Based on evidence from a public hearing held Sept. 28 in Denver, Colo., the U.S. Department of Agriculture has recommended amending the potato research and promotion plan.

Donald Kuryloski, a marketing official with USDA's Agricultural Marketing Service, said USDA invites public comments on the recommended decision until Nov. 23.

The program, authorized by Congress in the Potato Research and Promotion Act, is financed by an assessment on potatoes handled. Producers who do not wish to contribute are reimbursed upon written request.

The proposal would authorize an increase in the maximum rate of assessment from 1 cent per hundredweight to one-half of 1 percent of the past 10-year U.S. average price received by growers, as reported by USDA. Kuryloski said the increase is intended to counteract inflation which has curtailed program activities in recent years.

The amendment would add a public member to the National Potato Promotion Board, which works with USDA in administering the nationally coordinated program. Reimbursement of referendum and

administrative costs incurred by USDA also would be provided. These changes are consistent with USDA's policy on research and promotion programs, Kuryloski said.

If USDA's final decision still favors the amendment after comments are considered, the proposal would be put to a vote of potato growers in the 48 contiguous states. To become effective, the amendment would have to be approved by two-thirds of the growers voting by number or volume of potatoes represented.

The recommended decision is scheduled to be published in the Nov. 8 Federal Register, available at many public libraries. Copies also are available from Kurt J. Kimmel, Fruit and Vegetable Division, rm. 2545-S, AMS, USDA, Washington, D.C. 20250.

Comments should be sent in duplicate to the Hearing Clerk, rm. 1077-S, USDA, Washington, D.C. 20250, where anyone may see them.

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DAIRY PROGRAM NEEDS CONTROL, SAYS USDA OFFICIAL

FRANKLINTON, La., Nov. 6—Citing rapidly increasing federal costs, a U.S. Department of Agriculture official today cautioned that unless the dairy price support program is brought under control, public opposition might destroy it.

Wilmer Mizell, assistant secretary for governmental and public affairs, told an audience of dairy farmers in Louisiana today the government's cost of maintaining the dairy price support program had jumped from $46 million in fiscal 1979 to $2.11 billion in fiscal 1982. In the process, he said, the government has accumulated 400 million pounds of butter, 800 million pounds of cheese and 1.2 billion pounds of nonfat dry milk—even after special programs to use surplus stocks.

Mizell said Secretary of Agriculture John R. Block did not fault dairy farmers for that price support problem. "Dairy farmers, like other farmers," Mizell said, "were listening to the price signals sent by the support program. But the support levels were unrealistic in terms of commercial market demand. The trouble began back in 1977 when the government established an unrealistic support program—not that

dairymen didn't deserve to be paid that well, because they do. But the commercial market was not growing fast enough to take that much risk."

In an effort to slow the accumulation of dairy surpluses, Mizell said the administration submitted a dairy support plan to Congress in May. Congress revised the proposal and included the levying of an assessment on dairy farmers for overproduction.

Mizell spelled out several steps USDA has undertaken to diminish the dairy surpluses, including making available to schools unlimited quantities of dry milk, butter and cheese, offering food banks and other distribution groups millions of pounds of cheese and butter and adding dairy products to the U.S. contribution to the World Food Program.

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USDA ANNOUNCES 1982 BURLEY PRICE SUPPORT LEVEL, GRADE LOAN RATES

WASHINGTON, Nov. 9—The U.S. Department of Agriculture today adjusted the price support level for the 1982 crop of burley tobacco to $1.751 per pound, 7.0 percent higher than the 1981 level of $1.636 per pound.

Everett Rank, administrator of USDA's Agricultural Stabilization and Conservation Service, said this action was taken as a result of a determination by the secretary of agriculture that grades of burley tobacco eligible for price support are in excessive supply.

Since the support price originally was announced on April 14, the 1982 crop has increased from an estimated 680 million pounds to 775 million pounds, and market demand has weakened. As a result, a significant volume of loan stocks now are projected to be taken in by Commodity Credit Corporation.

The action was authorized under the No Net Cost Tobacco Program Act of 1982, approved July 20. USDA had announced on April 14 a support of $1.813 per pound under the previous law.

"Today's action," Rank said, "will increase the quantity of burley going into trade channels and reduce the possibility of substantial

contributions by producers to operate the tobacco price support program at no net cost to taxpayers."

The burley grade loan rates range from $1.16 to $1.95 per pound. From these rates, the tobacco marketing associations may deduct 1 cent per pound from the advances paid to producers to help cover overhead costs, Rank said.

Further, as a condition of price support eligibility, burley tobacco farmers must agree to contribute 1 cent per pound of tobacco marketed to a "no-net cost tobacco account". These accounts are established by associations as required by the 1982 law.

As in the past, no loan will be accepted on tobacco grades "U" (unsound), "W" (wet), "No-G" (no grade) or scrap, Rank said.

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USDA PROPOSAL CLARIFIES RULES ON PACKAGING MATERIALS

WASHINGTON, Nov. 9—The U.S. Department of Agriculture is proposing federally inspected meat and poultry plants maintain written guarantees, provided by packaging manufacturers, that packaging materials conform to food additive regulations.

USDA rules require that packaging or other materials which come in contact with meat or poultry must not adulterate the product. An adulterated product is defined as one which contains any food additive deemed unsafe under provisions of the Federal Food, Drug and Cosmetic Act.

"By permitting written guarantees, the inspection process will be streamlined, resulting in more efficient plant operations," said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service.

Currently, agency evaluation of packaging materials is voluntary and is done on request from manufacturers. This evaluation has often been misinterpreted as a USDA requirement.

"The proposal would clarify that prior approval of packaging materials is not required by USDA and would provide a simple,

economical way of assuring their acceptability," said Houston. Evaluating packaging materials by the agency would continue on request under the proposal.

USDA inspectors would remain responsible for preventing adulteration and could still retain products with suspected packaging defects, contamination, or similar problems. In addition, USDA would undertake a monitoring program to verify that materials conform to applicable food additive regulations, as stated in the written guarantees.

Comments on the proposal, which is scheduled to be published in the Nov. 10 Federal Register, should be submitted in duplicate by Jan. 10 to: Regulations Office, Attention: Annie Johnson, FSIS Hearing Clerk, Room 2637-S, USDA, Washington, D.C. 20250.

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USDA PROPOSES NEW CONTROLS FOR WATER IN CURED PORK PRODUCTS

WASHINGTON, Nov. 9—The U.S. Department of Agriculture has proposed regulating the amount of added water in cured pork products by requiring specified levels of protein.

"Our present controls to limit added water were developed many years ago," said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service. "As a result, they do not take into account new types of pork products made possible by recent advances in food technology."

Water is added to pork products as a curing solution or pickle, Houston said. This generally consists of a mixture of salt and nitrite dissolved in water. Curing serves to preserve the meat and inhibits the growth of food poisoning organisms and imparts the traditional flavor and color.

"The proposal would establish minimum protein requirements for the full range of cured pork products now being marketed," Houston said. "These protein requirements would be tied to the amount of added water remaining in a product at the time the consumer buys it."

Under existing regulations a product labeled "Ham" may contain no added water, whereas a product labeled "Ham—Water Added" may

contain up to 10 percent added water. Products labeled in this manner will still be marketed, provided they meet minimum protein criteria.

Under the proposal, processors would be permitted to market products with higher amounts of water, provided those products were accurately labeled. USDA is proposing that such products be labeled as "Ham and Water Product -Contains X% Added Water."

Each class of pork product would have a different minimum protein requirement. Because the relative protein levels decrease as more water is added, a minimum protein requirement would establish an approximate maximum permissible added water level, Houston said.

A comprehensive sampling program conducted by USDA inspectors would ensure enforcement of the minimum protein requirements. About 7,200 plants currently operate under federal meat and poultry inspection and approximately 1,100 of these produce cured pork products.

The sampling program would rely primarily on statistical analysis of laboratory data. This would permit USDA to take corrective action more quickly than is currently possible.

"This program would provide greater protection for consumers against inaccurate product labeling," Houston said. "It also would protect the pork processing industry from unfair or deceptive practices."

A background paper is available from FSIS Information, USDA, Room 1160-S, Washington, D.C. 20250.

Public comments on the proposal should be sent by March 10 to FSIS Hearing Clerk, USDA, Room 2637S, Washington, D.C., 20250. The proposal is scheduled to be published in the Nov. 10 Federal Register.

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USDA SCIENTIST HONORED FOR PLANT DISEASE CONTROL RESEARCH

WASHINGTON, Nov. 10—Richard D. Durbin, who found a key to understanding why microbes cause plant diseases, today was named "Scientist of the Year," a new award at the U.S. Department of Agriculture.

Terry B. Kinney, Jr., administrator of the USDA's Agricultural Research Service, will present plaques to Durbin and regional winners, at a senior staff conference here Nov. 16. In addition to the plaque, Durbin will receive $5,000 in cash and up to $40,000 in equipment and other support for his research.

Durbin is a plant pathologist and specializes in plant disease resistance for the USDA at Madison, Wis.

A panel of scientists from outside the USDA agency selected Durbin for the top honor from among the regional winners. Durbin works in the the research agency's north central region.

Other regional winners are Richard R. Hill, agronomist, University Park, Pa., northeast; James E. Duffus, plant pathologist, Salinas, Calif., western; and Paul E. Bishop, microbiologist, Raleigh, N.C., southern.

Kinney said Durbin is the first scientist to win the new national award, which USDA established to honor "distinguished scientists for their contributions to agriculture, although they often work quietly behind the scenes with little fanfare."

The goal is to encourage research excellence in critical food and agricultural sciences.

"Studies started by Durbin in 1967 have led to increasing science's understanding of the control of plant diseases caused by toxins or poisons that parasitic microbes secrete in plants," said Kinney.

Durbin and his colleagues were the first to correctly determine the structure of tabtoxin, a poison produced by the bacterium Pseudomonas tabaci. They found that tabtoxin in disease-susceptible plants inhibits an enzyme called glutamine synthestase that is necessary for plant life.

Kinney said this basic research is recognized in plant pathology as the first identification of the way a toxin acts to cause disease in plants. Knowledge gained from the research is leading to the use of toxins as research tools in a variety of biological disciplines.

"Durbin has continued these studies and made other significant contributions to the scientific understanding of how plants resist disease," said Kinney. "All too often, the most sensational research seems to be the only type that attracts attention," he said. "A lot of research is ongoing over a number of years and this award pays tribute to a scientist who has been working for many years on basic research having a cumulative effect on the plant sciences."

In other studies, Durbin and his team of USDA and University of Wisconsin scientists were the first to transfer a gene from one species to another in tissue culture. They also discovered that bacteria on leaf surfaces play a critical role in frost damage.

"If plant diseases can be controlled through the work of USDA scientists such as Durbin, agriculture will be better equipped to answer long-term production problems and needs," Kinney said. "Such research results, in turn, help lower farm production costs and ease inflationary pressures on consumers' pocketbooks."

Durbin has been a scientist in the USDA agency for 20 years. He has been the research leader of the Nature of Disease Resistance Unit in Madison since its opening in 1965. A native of California, he received his Ph.D. from the University of California at Los Angeles.

Members of the selection panel were George Irving, executive secretary of the Agricultural Research Institute, Washington, D.C.; Walter Parham, food and renewable resources program manager of the Congressional Office of Technology Assessment; and W. Lamar Harris, director of the Maryland Agricultural Experiment Station.

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USDA APPROVES BLENDED, GUARANTEED CREDITS FOR PAKISTAN

WASHINGTON, Nov. 10—Blended credit of $25 million has been approved for the sale of U.S. vegetable oil and soybean meal to Pakistan, Under Secretary of Agriculture Seeley G. Lodwick announced today.

At the same time, he said, approval was given for $60 million in guarantees under the regular export credit guarantee program for the purchase of vegetable oil.

Lodwick noted that Pakistan had earlier been allocated $50 million under the Public Law 480 concessional sales program. This credit and the $60 million in regular credit guarantees will enable it to buy an estimated 220,000 tons of U.S. vegetable oil, about the same amount as it bought last year. The blended credit will permit additional purchases.

He said the blended credit package was offered to finance Pakistan's purchase from private U.S. exporters of 33,000 metric tons of oil and 52,000 tons of meal for delivery in the current fiscal year.

"This represents new business over earlier expectations," Lodwick said. "It will boost our share of Pakistan's oil market to 253,000 tons, almost 50 percent, and it will put 52,000 tons of U.S. soybean meal into a market that had been pegged at zero before this new credit package became available."

This is the fifth blended credit allocation approved since the 3-year, $1.5 billion program of reduced interest rates for U.S. agricultural exports was announced Oct. 20. Others were for sales to Morocco, Egypt, Yugoslavia and the Phillipines.

The first $500 million under the program was made available for fiscal year 1983. The reduced interest rate is being achieved by blending $100 million of interest-free direct government credit with about $400 million of government guarantees for financing made at commercial rates by private financial institutions.

The blended credit package for Pakistan earmarks $15 million to be used for vegetable oil imports and $10 million for soybean meal. The allocation for vegetable oil is $3 million of direct credit and $12 million in credit guarantees, and that for soybean meal is $2 million direct, and $8 million in gurantees.

This brings the total direct credit allocations under the program to $75 million and credit guarantees to $300 million for a total of $375 million.

Both the blended credit package and the credit guarantees for sales to Pakistan provide for credits up to two years. The guarantee rates include a fee to provide for a yearly interest rate coverage of up to 8 percent on the guaranteed value, not to exceed 98 percent of the port value. Pakistani guarantors will be Habib Bank and/or other eligible banks.

Based on semiannual repayments of principal, plus the accrued interest, the fee rate is 15.6 cents per $100 for six months; 23.4 cents per $100 for one year, and 39.3 cents per $100 for two years.

Based on equal repayments of principal, plus accrued interest, the fee rate is 32.9 cents per $100 for one year, and 50.1 cents per $100 for two years. Commodities must be shipped by Sept. 30.

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APPLICATION PERIOD FOR FARM STORAGE FACILITY LOAN PROGRAM ENDS TODAY

GALESBURG, Ill., Nov. 12—Secretary of Agriculture John R. Block announced that with the 1982 grain harvest in its final stages and most loan money targeted, applications will no longer be considered for the farm storage facility loan program, effective today.

"Our changes in the program and the additional funding have been successful in meeting our goal of assuring adequate storage for these record crops," Block said. "Farmers have taken advantage of the program and have applied for most of the funds made available for loans."

On Aug. 20, Block authorized changes in the program which included permitting loans for construction of facilities to store up to two years' production of eligible crops. And on Sept. 23, another $60 million in loans were made available to build storage for the 1982 record corn, wheat and soybean crops.

Block also announced emergency measures on Aug. 26 to help alleviate potential shortages of grain storage space. Those measures included easing requirements on types of storage space used by warehouse operators approved under the Uniform Grain Storage Agreement or licensed under the U.S. Warehouse Act.

County offices of the USDA's Agricultural Stabilization and Conservation Service will continue to process applications now on file, Block said.

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